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**SENATE BACKS BAUCUS ON CHILDREN'S HEALTH,
TAX RELIEF FOR AMERICA'S WORKING FAMILIES**

Finance Chairman's budget amendment passes, focuses funds on families and kids

Washington, DC – The Senate late today voted to strengthen funding for the Children's Health Insurance Program and to provide important tax relief to working families. By a vote of 97 to one, Senators approved a budget amendment by Finance Committee Chairman Max Baucus (D-Mont.) that puts \$15 billion toward renewal and expansion of the expiring Children's Health Insurance program, including \$5 billion in surplus funds in 2012. Surplus funds will also be used to extend tax cuts including the child tax credit and relief from the joint-filing penalty paid by America's married couples. Baucus was joined by cosponsors Senators Evan Bayh (D-Ind.), Mary Landrieu (D-La.), Bill Nelson (D-Fla.), and Mark Pryor (D-Ark.).

"The Senate has chosen to make American families the highest priority for any extra funds we find. We're putting real dollars behind the budget's promise of \$50 billion for children's health insurance, and returning the rest of any surplus to the hardworking American families who created it," said Baucus. **"Getting kids the health coverage and care they need, and getting families the tax relief they deserve, shows the right priorities."**

Baucus's Finance Committee has jurisdiction over the CHIP program and over U.S. tax policy. In addition to providing the \$15 billion in funds for the Children's Health Insurance Program over the last three years of the budget window, the amendment effects a \$15 billion decrease in the "reserve fund" that requires additional money to be raised to cover CHIP costs. The amendment also uses surplus funds to provide:

- permanent marriage penalty tax relief
- permanent extension of the refundable child tax credit
- permanent extension of the adoption tax credit
- permanent extension of the higher child care tax credit
- permanent allowance of earned income tax credit for American soldiers' combat pay
- permanent extension of the 10 percent income tax bracket
- permanent extension of current estate tax rate and exemption level

Remaining surplus funds are designated for tax relief as well. The Senate will continue consideration of the budget resolution, now including the Baucus amendment, this week on the Senate floor.

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